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SENATE BILL 6362

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State of Washington 57th Legislature

2002 Regular Session

By Senators Winsley, Prentice, Kastama and Rasmussen

Read first time 01/16/2002. Referred to Committee on Labor, Commerce & Financial Institutions.

1 AN ACT Relating to investigations, citations, and fines for  
2 violations of the manufactured/mobile home landlord-tenant act;  
3 amending RCW 59.22.010, 59.22.020, and 59.22.050; adding new sections  
4 to chapter 59.22 RCW; and prescribing penalties.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 59.22.010 and 1995 c 399 s 154 are each amended to  
7 read as follows:

8 (1) The legislature finds:

9 (a) That manufactured housing and mobile home parks provide a  
10 source of low-cost housing to the low income, elderly, poor, and  
11 (~~infirm~~) infirm, without which they could not afford private  
12 housing; but rising costs of mobile home park development and  
13 operation, as well as turnover in ownership, has resulted in mobile  
14 home park living becoming unaffordable to the low income, elderly,  
15 poor, and (~~infirm~~) infirm, resulting in increased numbers of  
16 homeless persons, and persons who must look to public housing and  
17 public programs, increasing the burden on the state to meet the housing  
18 needs of its residents;

1       **(b) That taking legal action against a landlord or tenant for**  
2 **violations of the manufactured/mobile home landlord-tenant act can be**  
3 **a costly and lengthy process, and that many people cannot afford to**  
4 **pursue this process;**

5       **(c) That state government can play a vital role in addressing the**  
6 **problems confronted by mobile home park residents by providing**  
7 **assistance which makes it possible for mobile home park residents to**  
8 **acquire the mobile home parks in which they reside and convert them to**  
9 **resident ownership and by providing assistance which makes it possible**  
10 **for manufactured/mobile home tenants and landlords to resolve disputes**  
11 **in a less costly manner; and**

12       **((+e)) (d) That to accomplish ((this)) these purposes, information**  
13 **and technical support shall be made available through the department.**

14       **(2) Therefore, it is the intent of the legislature((-)):**

15       **(a) In order to maintain low-cost housing in mobile home parks to**  
16 **benefit the low income, elderly, poor, and ((infirmed)) infirm, to**  
17 **encourage and facilitate the conversion of mobile home parks to**  
18 **resident ownership, to protect low-income mobile home park residents**  
19 **from both physical and economic displacement, to obtain a high level of**  
20 **private financing for mobile home park conversions, and to help**  
21 **establish acceptance for resident-owned mobile home parks in the**  
22 **private market; and**

23       **(b) In order to provide a less costly and lengthy way for**  
24 **manufactured/mobile home tenants to resolve disputes, to authorize the**  
25 **office of manufactured housing to conduct investigations, issue**  
26 **citations, and impose fines for violations of the manufactured/mobile**  
27 **home landlord-tenant act.**

28       **Sec. 2.** RCW 59.22.020 and 1995 c 399 s 155 are each amended to  
29 read as follows:

30       The following definitions shall apply throughout this chapter  
31 unless the context clearly requires otherwise:

32       (1) "Account" means the mobile home affairs account created under  
33 RCW 59.22.070.

34       (2) "Affordable" means that, where feasible, low-income residents  
35 should not pay more than thirty percent of their monthly income for  
36 housing costs.

37       (3) "Conversion costs" includes the cost of acquiring the mobile  
38 home park, the costs of planning and processing the conversion, the

1 costs of any needed repairs or rehabilitation, and any expenditures  
2 required by a government agency or lender for the project.

3 (4) "Department" means the department of community, trade, and  
4 economic development.

5 (5) "Fee" means the mobile home title transfer fee imposed under  
6 RCW 59.22.080.

7 (6) "Fund" or "park purchase account" means the mobile home park  
8 purchase account created pursuant to RCW 59.22.030.

9 (7) "Housing costs" means the total cost of owning, occupying, and  
10 maintaining a mobile home and a lot or space in a mobile home park.

11 (8) "Individual interest in a mobile home park" means any interest  
12 which is fee ownership or a lesser interest which entitles the holder  
13 to occupy a lot or space in a mobile home park for a period of not less  
14 than either fifteen years or the life of the holder. Individual  
15 interests in a mobile home park include, but are not limited to, the  
16 following:

17 (a) Ownership of a lot or space in a mobile home park or  
18 subdivision;

19 (b) A membership or shares in a stock cooperative, or a limited  
20 equity housing cooperative; or

21 (c) Membership in a nonprofit mutual benefit corporation which  
22 owns, operates, or owns and operates the mobile home park.

23 (9) "Low-income resident" means an individual or household who  
24 resided in the mobile home park prior to application for a loan  
25 pursuant to this chapter and with an annual income at or below eighty  
26 percent of the median income for the county of standard metropolitan  
27 statistical area of residence. Net worth shall be considered in the  
28 calculation of income with the exception of the resident's mobile/  
29 manufactured home which is used as their primary residence.

30 (10) "Low-income spaces" means those spaces in a mobile home park  
31 operated by a resident organization which are occupied by low-income  
32 residents.

33 (11) "Mobile home park" means a mobile home park, as defined in RCW  
34 59.20.030(~~((+4))~~) (6), or a manufactured home park subdivision as  
35 defined by RCW 59.20.030(~~((+6))~~) (8) created by the conversion to  
36 resident ownership of a mobile home park.

37 (12) "Resident organization" means a group of mobile home park  
38 residents who have formed a nonprofit corporation, cooperative  
39 corporation, or other entity or organization for the purpose of

1 acquiring the mobile home park in which they reside and converting the  
2 mobile home park to resident ownership. The membership of a resident  
3 organization shall include at least two-thirds of the households  
4 residing in the mobile home park at the time of application for  
5 assistance from the department.

6 (13) "Resident ownership" means, depending on the context, either  
7 the ownership, by a resident organization, as defined in this section,  
8 of an interest in a mobile home park which entitles the resident  
9 organization to control the operations of the mobile home park for a  
10 term of no less than fifteen years, or the ownership of individual  
11 interests in a mobile home park, or both.

12 (14) "Landlord" shall have the same meaning as it does in RCW  
13 59.20.030.

14 (15) "Manufactured housing" means residences constructed on one or  
15 more chassis for transportation, and which bear an insignia issued by  
16 a state or federal regulatory agency indication compliance with all  
17 applicable construction standards of the United States department of  
18 housing and urban development.

19 (16) "Mobile home" shall have the same meaning as it does in RCW  
20 46.04.302.

21 (17) "Mobile home lot" shall have the same meaning as it does in  
22 RCW 59.20.030.

23 (18) "Tenant" means a person who rents a mobile home lot for a term  
24 of one month or longer and owns the mobile home on the lot.

25 (19) "Office" means the office of manufactured housing.

26 **Sec. 3.** RCW 59.22.050 and 1991 c 327 s 3 are each amended to read  
27 as follows:

28 (1) In order to provide general assistance to mobile home resident  
29 organizations, park owners, and landlords and tenants, the department  
30 shall establish an office of (~~mobile home affairs~~) manufactured  
31 housing which will serve as the coordinating office within state  
32 government for matters relating to mobile homes or manufactured  
33 housing.

34 This office will provide an ombudsman service to mobile home park  
35 owners and mobile home tenants with respect to problems and disputes  
36 between park owners and park residents and to provide technical  
37 assistance to resident organizations or persons in the process of

1 forming a resident organization pursuant to chapter 59.22 RCW. The  
2 office will keep records of its activities in this area.

3 (2) The office may, upon receiving complaints alleging violations  
4 of chapter 59.20 RCW, investigate the alleged violations, issue  
5 citations, and impose fines as provided by this chapter. The office  
6 may develop rules to implement this subsection.

7 (3) The office shall perform all the consumer complaint and related  
8 functions of the state administrative agency that are required for  
9 purposes of complying with the regulations established by the federal  
10 department of housing and urban development for manufactured housing,  
11 including the preparation and submission of the state administrative  
12 plan.

13 (~~(3)~~) (4) The office shall administer the mobile home relocation  
14 assistance program established in chapter 59.21 RCW, including  
15 verifying the eligibility of tenants for relocation assistance.

16 NEW SECTION. Sec. 4. A new section is added to chapter 59.22 RCW  
17 to read as follows:

18 (1) Upon receiving complaints alleging violations of chapter 59.20  
19 RCW, the office may investigate the alleged violations and issue  
20 citations.

21 (2) If after an investigation the office finds a violation of  
22 chapter 59.20 RCW, the office must deliver a citation to the person who  
23 has committed the violation either by certified mail or in person. The  
24 citation must specify the violation, the corrective action to be taken,  
25 the time within which the corrective action must be taken, the  
26 penalties that will result if corrective action is not taken within the  
27 specified time period, and the process for contesting the citation  
28 through a hearing.

29 (3) Citations for all violations other than those deemed imminently  
30 life-threatening may be contested through an administrative hearing  
31 under chapter 34.05 RCW. In order to obtain a hearing a person must,  
32 within fifteen days of receiving a citation from the office, request  
33 that the office conduct a hearing. If a hearing is not requested  
34 within this time period, the citation constitutes a final order of the  
35 office and is not subject to review by any court or agency. If an  
36 administrative law judge decides that a person has violated chapter  
37 59.20 RCW, that person shall pay for the cost incurred by the office in  
38 conducting the hearing.

1 (4) For those violations deemed imminently life-threatening,  
2 corrective action must take place within twenty-four hours of the  
3 receipt of the office's citation. For all other violations, corrective  
4 action must take place within fifteen days of the receipt of the  
5 office's citation.

6 (5) If a person fails to take corrective action within the required  
7 time period and the office has not received a timely request for an  
8 administrative hearing, the office may impose a fine for every day that  
9 the violation remains uncorrected. The office shall establish a  
10 schedule of fines by rule.

11 (6) Upon application by a person showing that good faith effort to  
12 comply with the corrective action requirements of the citation has been  
13 made and that the corrective action has not been completed because of  
14 factors beyond the person's control, the office may extend the time  
15 period in which corrective action must be taken before fines are  
16 imposed.

17 (7) This section does not limit the right of landlords or tenants  
18 to take legal action against another party as provided in chapter 59.20  
19 RCW.

20 NEW SECTION. **Sec. 5.** A new section is added to chapter 59.22 RCW  
21 to read as follows:

22 The manufactured/mobile home investigations account is created in  
23 the custody of the state treasurer. All receipts from the imposition  
24 of fines for violations of chapter 59.20 RCW and the fees collected  
25 under section 6 of this act must be deposited into the account.  
26 Expenditures from the account may be used only for the administrative  
27 costs associated with enforcing this chapter. Only the director or the  
28 director's designee may authorize expenditures from the account. The  
29 account is subject to allotment procedures under chapter 43.88 RCW, but  
30 an appropriation is not required for expenditures.

31 NEW SECTION. **Sec. 6.** A new section is added to chapter 59.22 RCW  
32 to read as follows:

33 (1) Each owner of a mobile home park shall pay to the office an  
34 annual fee to fund the administrative costs of investigating violations  
35 of the manufactured/mobile home landlord-tenant act under this chapter.  
36 The fee shall be determined annually by the office, and may not exceed  
37 five dollars for each lot within a park.

1       (2) If an owner fails to pay the fee within thirty days after  
2 receiving written notice of the amount due, a penalty of fifty percent  
3 of the amount of the fee will be added. The owner is not entitled to  
4 any reimbursement of this penalty from his or her tenants. If an owner  
5 fails to pay the required fees within sixty days after receiving  
6 written notice of the amount due, the amount due under this section  
7 becomes a lien in favor of the state upon the owner's property. The  
8 lien is superior to all other liens and encumbrances except general  
9 taxes and local and special assessments, and bears interest computed  
10 monthly and compounded annually at a rate of eight percent.

11       (3) All fees collected by the office under subsection (1) of this  
12 section must be deposited into the manufactured/mobile home  
13 investigations account.

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